

Before the
Federal Communications Commission
Washington, DC 20554

In the Matter of)
)
Strategic Plan for FY 2006-2011)

**COMMENTS OF
CTIA – THE WIRELESS ASSOCIATION™**

CTIA – The Wireless Association (“CTIA”)¹ respectfully submits these comments in response to the Commission’s Draft Strategic Plan for fiscal years 2006-2011 (“Plan”).² CTIA appreciates the opportunity to comment and commends the Commission for identifying a broad vision for the agency. These comments focus primarily on spectrum policy matters but also address other important goals and objectives set forth in the Plan.

At the outset, CTIA commends the Plan’s commitment to the goals of broadband and competition. Wireless technology is an especially important platform in the delivery of broadband. Wireless can in many instances deliver broadband more efficiently and more economically to locations that are unserved and underserved. Further, the wireless platform is uniquely positioned in the broadband marketplace, combining high-speed communications with the versatility of mobility – and revolutionizing the way we communicate.

¹ CTIA – The Wireless Association™ (formally known as the Cellular Telecommunications & Internet Association) is the international organization of the wireless communications industry for both wireless carriers and manufacturers. Membership in the organization covers Commercial Mobile Radio Service (“CMRS”) providers and manufacturers, including cellular, broadband PCS, and ESMR, as well as providers and manufacturers of wireless data services and products.

² *Public Invited to Review Draft Strategic Plan, Public Notice* (rel. July 5, 2005) (Public Notice).

As the Plan states, “[r]egulatory policies must promote technological neutrality, competition, investment, and innovation to ensure that broadband service providers have sufficient incentives to develop and offer such products and services.”³ Wireless, as well as broadband, services are fundamentally interstate and national in scope and therefore should be regulated, if at all, exclusively at the federal level.

A national, largely deregulatory wireless framework has allowed wireless services to flourish in a highly competitive market, delivering innovative services and falling prices to U.S. consumers. Between 1993 and 2003, for example, the CMRS industry developed from an analog cellular duopoly to a 92 percent digital, multi-carrier market. During those ten years, wireless licensees invested more than \$100 billion in capital to improve their networks. Service offerings evolved rapidly from voice-only to voice, data, Internet access, gaming, and video – while competition continued to drive prices down. And consumer demand responded, with subscribership up ten-fold from 16 million to nearly 164 million, and minutes of use skyrocketing from 19 billion minutes to 830 billion minutes of use. Over this same period, the average price of wireless service has significantly declined from over \$60 per month to just under \$50 per month. In no other sector of the communications industry (or the economy, for that matter) has competition and innovation produced greater consumer benefits. CTIA encourages the Commission to expand upon the wireless regulatory model and rely primarily on market forces to deliver innovative services and falling prices instead of intrusive federal, state, or local regulation.

Spectrum is, of course, fundamental to the provision of wireless communications and CTIA commends the Plan for its significant emphasis on spectrum goals and objectives. CTIA

³ *Id.* at 4, 6.

strongly supports the Plan’s first spectrum goal objective, which states that the Commission will “develop, advocate, and implement flexible, market-oriented spectrum allocation and assignment policies.”⁴ Together with the “light touch” approach identified above, the exclusive use, flexible rights licensing regime has led to billions of dollars of investment, deployment of new technologies and innovative services, and expansion of capacity in response to growing demand.

CTIA also supports other key spectrum objectives set forth in the Plan, including “promot[ing] efficient and effective use of spectrum” and delineating the “rights and responsibilities of both licensed and unlicensed spectrum users, particularly with respect to harmful interference.”⁵ CTIA urges the Commission to consider the importance of exclusive use licensing in promoting efficient use of spectrum. In the highly competitive CMRS industry, market forces drive licensees to provide higher quality services and more innovative offerings. Exclusive use licensing, by providing reasonable certainty regarding bandwidth capacity and interference protection, has allowed CMRS carriers to invest huge sums of money in network improvements alone to achieve more intensive and efficient use of their licensed spectrum.

Although spectrum sharing may be appropriate in some instances, exclusive use licensing provides a much more stable investment environment characterized by sufficient and available spectrum capacity to improve and add services free from harmful interference. For example, licensees that would otherwise seek to deploy cutting-edge technologies that necessarily operate with a lower signal-to-interference ratio will not bring those offerings to the public if they fear that other signals will detract from the quality of their service offerings. The Commission therefore should be wary of unproven technologies, such as interference temperature metrics,

⁴ *Id.* at 11.

⁵ *Id.* at 12.

that could introduce harmful interference into commercial wireless spectrum.⁶ CTIA suggests that the Commission continue to foster policies such as exclusive use licensing and secondary markets rather than “forced sharing” to ensure that spectrum is put to its highest and best use.

Finally, CTIA supports the Plan’s focus on public safety and homeland security goals. CTIA believes that emergency response communications are critical aspects of the Nation’s public safety and emergency preparedness infrastructure. CTIA members are key players in public safety and homeland security, including E911 capability and the provision of Wireless Priority Service. CTIA encourages the Commission to “coordinate with industry and other federal, state, tribal, and other local agencies” on public safety and homeland security.⁷ To that end, the Commission could explore ways to encourage government agencies to take advantage of the vibrant and diverse market for commercial wireless services.

⁶ CTIA–The Wireless Association™ Comments in ET Docket No. 03-237 (Apr. 5, 2004).

⁷ Public Notice at 17.

In conclusion, CTIA applauds the broad vision set forth in the Plan. The Commission can best foster its goal of growth and rapid deployment of innovative and efficient communications technologies and services by continuing to advocate and implement a flexible, market-oriented approach to spectrum policy.

Respectfully submitted,

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August 5, 2005